

FISCAL NOTE

Bill #: SB0130

Title: Revise microbusiness development program

Primary Sponsor: Ryan, D.

Status: As introduced

Sponsor signature _____ Date _____

David Ewer, Budget Director _____ Date _____

Fiscal Summary

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
Expenditures:		
General Fund	\$0	\$0
Revenue:		
General Fund	(\$13,507)	(\$13,507)
State Special Revenue	\$13,507	13,507
Net Impact on General Fund Balance:	(\$13,507)	(\$13,507)

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Commerce (DOC)

1. Current statute requires that unless specifically authorized or exempted by state statute all interest earned on funds invested be deposited in the general fund. This bill authorizes the micro business state special revenue Accounts to retain their own interest earnings.
2. According to the Board of Investments, the Short Term Investment Pool (STIP) will return 2.50 to 3.00 percent in the 2007 biennium. For the purposes of this fiscal note, it is assumed the STIP will return 2.75 percent in each year of the 2007 biennium.
3. The Business Resources Division estimates that the Micro Business Development Loan Account will contain a \$400,000 balance in each year of the 2007 biennium and the Micro business Finance Program Administrative account will contain an \$85,000 balance in each year of the 2007 biennium. Therefore, the estimated amount available for STIP investment would be \$485,000 (\$400,000 + \$85,000 = \$485,000).
4. STIP interest would be credited to the Micro business Finance Program Administrative account on a monthly basis. It is further assumed the interest earned would be expended in the HB 2 appropriations as requested in the Governor's Executive Budget Request for the 2007 biennium. The net interest transferred would be \$13,507.

Fiscal Note Request SB0130, As introduced
(continued)

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<u>Revenues:</u>		
General Fund (01)	(\$13,507)	(\$13,507)
State Special Revenue (02)	13,507	13,507
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$13,507)	(\$13,507)
State Special Revenue (02)	13,507	13,507